VZCZCXRO4484 PP RUEHBC RUEHDE RUEHDIR RUEHKUK DE RUEHBY #0927/01 2610735 ZNR UUUUU ZZH P 170735Z SEP 08 FM AMEMBASSY CANBERRA TO RUEHC/SECSTATE WASHDC PRIORITY 0167 INFO RUCNIRA/IRAN COLLECTIVE PRIORITY RUCNNSG/NUCLEAR SUPPLIERS GROUP PRIORITY RUEHBN/AMCONSUL MELBOURNE PRIORITY 5579 RUEHPT/AMCONSUL PERTH PRIORITY 3852 RUEHDN/AMCONSUL SYDNEY PRIORITY 3781 RUEHUNV/USMISSION UNVIE VIENNA PRIORITY 0319 RUCNDT/USMISSION USUN NEW YORK PRIORITY 0691 RUEHGV/USMISSION GENEVA PRIORITY 1947

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STATE FOR ISN, IO, AND EAP

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TO IRAN'S URANIUM ENRICHMENT PROGRAM

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 $\P1$ . (U) In remarks to the Australian Parliament September 17 that were picked up by local media, Foreign Minister Stephen Smith said Australia was considering additional measures it might take within the international community to respond to Iran's failure to halt its uranium enrichment program. Smith noted the September 15 report of the International Atomic Energy Agency confirmed Iran was continuing its uranium enrichment and reprocessing activities in defiance of four legally-binding UN Security Council resolutions. He charged Iran with failing to give the IAEA needed access to assess the nature of Iran's nulear activities and remove justifiable doubts of the international community regarding Iran's intentions. Smith voiced support for the efforts of the permanent members of the UNSC and Germany to engage constructively with Iran, including their offer of a generous incentive package, and welcomed the EU's June 23 travel and financial sanctions.

## 12. (U) Excerpts from FM Smith's statement follow:

I am deeply concerned by a report released by the International Atomic Energy Agency (IAEA) on 15 September that confirms Iran is persisting with its uranium enrichment and reprocessing-related activities in violation of four legally binding UN Security Council (UNSC) resolutions.

It shows that Iran has, yet again, failed to provide the IAEA with the access it needs to give credible assurances about the nature of Iran's nuclear program.

Mr. Speaker, the IAEA has comprehensive and detailed information which suggests that Iran has conducted studies into nuclear weapons and military involvement in nuclear procurement.

Iran continues to dismiss this information as "forged and fabricated" and to hinder the IAEA's investigation into these issues.

These actions are not those of a state seeking to address the international community's concerns about the nature of its nuclear program.

Iran needs to comply immediately with its obligations and suspend its uranium enrichment and reprocessing-related activities.

It must grant the IAEA the access it needs to remove the

international community's justifiable doubts about Iran's peaceful intentions.

Australia supports the efforts of the permanent members of the UNSC (and) Germany to engage constructively with Iran, and the generous incentives package they have offered Iran should it suspend its enrichment activities.

It is in Iran's interests to accept the incentives package, which represents the best way to resolve the nuclear issue to the benefit of all.

Iran has a clear choice: cooperation or face further isolation from the international community

Australia has made a firm commitment against the spread of nuclear weapons. We strongly support, and have implemented fully, UNSC sanctions against Iran, which target Iran's proliferation sensitive nuclear activities.

Australian has implemented into law these sanctions, including financial and travel restrictions, as well as a prohibition on the supply of specific goods, services and financing which could assist Iran's nuclear and missile programs.

Mr. Speaker, we welcomed European Union agreement on 23 June to new travel and financial sanctions aimed at pressuring Qto new travel and financial sanctions aimed at pressuring Iran to halt uranium enrichment.

In light of Iran's continuing failure to comply with its international obligations, the Government is considering what further measures it can take with the international community to bring further pressure to bear on Iran.

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End excerpts.

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